

Senate, April 14, 1998. The Committee on Appropriations reported through SEN. CRISCO, 17th DIST., Chairman of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT INCREASING THE MONTHLY PERSONAL FUND ALLOWANCE FOR NURSING HOME RESIDENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17b-272 of the general
2 statutes, as amended by section 151 of public act
3 97-2 of the June 18 special session, is repealed
4 and the following is substituted in lieu thereof:
5 Effective [October 1, 1991] JULY 1, 1998, the
6 Commissioner of Social Services shall permit
7 patients residing in nursing homes, chronic
8 disease hospitals and state humane institutions
9 who are medical assistance recipients under
10 sections 17b-260 to 17b-262, inclusive, AS
11 AMENDED, 17b-264 to 17b-285, inclusive, AS
12 AMENDED, and 17b-357 to 17b-362, inclusive, AS
13 AMENDED, to have a monthly personal fund allowance
14 [at a level equal to the minimum permitted under
15 Title XIX of the Social Security Act] OF FIFTY
16 DOLLARS. Effective July 1, [1998] 1999, the
17 commissioner shall increase such allowance
18 annually to reflect the annual inflation
19 adjustment in Social Security income, if any.
20 Sec. 2. Section 17b-106 of the general
21 statutes, as amended by section 49 of public act

22 97-2 of the June 18 special session, is repealed
23 and the following is substituted in lieu thereof:

24 (a) On July 1, 1985, the Commissioner of
25 Social Services shall increase the adult payment
26 standards for the state supplement to the federal
27 Supplemental Security Income Program by four and
28 three-tenths per cent over the standards for the
29 fiscal year ending June 30, 1985, provided the
30 commissioner shall apply the appropriate
31 disregards. Notwithstanding the provisions of any
32 regulation to the contrary, effective July 1,
33 1994, the commissioner shall reduce the
34 appropriate unearned income disregard for
35 recipients of the state supplement to the federal
36 Supplemental Security Income Program by seven per
37 cent, provided if sufficient funds are available
38 within accounts in the Department of Social
39 Services and are transferred to the old age
40 assistance account, the aid to the blind account
41 and the aid to the disabled account, the
42 commissioner shall increase the unearned income
43 disregard for recipients of the state supplement
44 to the federal Supplemental Security Income
45 Program to a level not to exceed that in effect on
46 June 30, 1994. On July 1, 1989, and annually
47 thereafter, the Commissioner of Social Services
48 shall increase the adult payment standards over
49 those of the previous fiscal year for the state
50 supplement to the federal Supplemental Security
51 Income Program by the percentage increase, if any,
52 in the most recent calendar year average in the
53 consumer price index for urban consumers over the
54 average for the previous calendar year, provided
55 the annual increase, if any, shall not exceed five
56 per cent, except that the adult payment standards
57 for the fiscal years ending June 30, 1993, June
58 30, 1994, June 30, 1995, June 30, 1996, June 30,
59 1997, June 30, 1998, and June 30, 1999, shall not
60 be increased. Effective October 1, 1991, the
61 coverage of excess utility costs for recipients of
62 the state supplement to the federal Supplemental
63 Security Income Program is eliminated.

64 (b) EFFECTIVE JULY 1, 1998, THE COMMISSIONER
65 OF SOCIAL SERVICES SHALL PROVIDE A STATE
66 SUPPLEMENT PAYMENT FOR RECIPIENTS OF THE STATE
67 SUPPLEMENT TO THE FEDERAL SUPPLEMENTAL SECURITY
68 INCOME PROGRAM WHO RESIDE IN LONG-TERM CARE
69 FACILITIES SUFFICIENT TO INCREASE THEIR PERSONAL

70 NEEDS ALLOWANCE TO FIFTY DOLLARS PER MONTH. SUCH
71 STATE SUPPLEMENT PAYMENT SHALL BE MADE TO THE
72 LONG-TERM CARE FACILITY TO BE DEPOSITED INTO THE
73 PERSONAL FUND ACCOUNT OF EACH SUCH RECIPIENT.
74 EFFECTIVE JULY 1, 1999, AND ANNUALLY THEREAFTER,
75 THE STATE SUPPLEMENT PAYMENT FOR SUCH RECIPIENTS
76 SHALL BE INCREASED TO REFLECT THE ANNUAL INFLATION
77 ADJUSTMENT IN SOCIAL SECURITY INCOME, IF ANY.
78 Sec. 3. This act shall take effect July 1,
79 1998.

80 HS COMMITTEE VOTE: YEA 13 NAY 3 JFS C/R APP
81 APP COMMITTEE VOTE: YEA 49 NAY 0 JFS

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"THE FOLLOWING FISCAL IMPACT STATEMENT AND BILL ANALYSIS ARE PREPARED FOR THE BENEFIT OF MEMBERS OF THE GENERAL ASSEMBLY, SOLELY FOR PURPOSES OF INFORMATION, SUMMARIZATION AND EXPLANATION AND DO NOT REPRESENT THE INTENT OF THE GENERAL ASSEMBLY OR EITHER HOUSE THEREOF FOR ANY PURPOSE."

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FISCAL IMPACT STATEMENT - BILL NUMBER sSB 163

STATE IMPACT Implements a Provision in the
 Budget, see explanation below

MUNICIPAL IMPACT None

STATE AGENCY(S) Department of Social Services

EXPLANATION OF ESTIMATES:

The changes in this bill will give approximately 22,000 Medicaid funded nursing home residents an increase in their monthly personal needs allowance of just under \$20 per month. It is estimated that this increase will cost \$5,470,000 in FY99. Funding for this increase is included in the Medicaid account in sHB 5021 (An Act Making Adjustments to the State Budget for the Biennium Ending June, 30, 1999). The state would be eligible for Federal funds participation (FFP) at 50% under the Medicaid program.

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OLR BILL ANALYSIS

sSB 163

AN ACT INCREASING THE MONTHLY PERSONAL FUND ALLOWANCE FOR NURSING HOME RESIDENTS

SUMMARY: This bill increases from \$30 to \$50 the monthly personal fund allowance given to Medicaid recipients in nursing homes, chronic disease hospitals, and state humane institutions. It requires the Department of Social Services (DSS) commissioner to increase the amount annually, beginning July 1, 1999,

by the percentage that Social Security income is increased for inflation.

The bill also requires the commissioner to give State Supplement to the Federal Supplemental Security Income Program (SSP) recipients who live in long-term care facilities (see COMMENT) an SSP payment that brings their personal needs allowances up to \$50. The bill does not define "long-term care" (see COMMENT). The long-term care facility must deposit the money in each recipient's personal fund account. The commissioner must increase the amount annually, beginning July 1, 1999, by the percentage that Social Security income is increased for inflation.

EFFECTIVE DATE: July 1, 1998

BACKGROUND

Personal Fund Allowance

The personal fund allowance (sometimes called a personal needs allowance) is the monthly amount that Medicaid recipients in nursing homes are allowed to retain from their incomes to pay for clothing and miscellaneous personal needs. The rest of their income goes to pay for part of their nursing home expenses and Medicaid covers the remaining nursing home costs.

Federal Supplemental Security Income (SSI)

SSI provides supplemental payments to the aged, blind, and disabled who have no or very little income from Social Security or other sources. Medicaid recipients in nursing homes who receive SSI but no other income currently can retain a \$30 monthly personal needs allowance under federal law.

State Supplement to the Federal Supplemental Security Income Program (SSP)

DSS administers SSP, which is a program that supplements assistance provided under SSI. Receiving SSI is not an SSP eligibility requirement. For example, if a person receives a low monthly Social Security benefit he may still qualify for SSP. The SSP benefit level depends on the individual's personal needs and actual costs up to a maximum rate for basic needs like

food, clothing, personal items, utilities, and rent. SSP recipients are automatically eligible for Medicaid, but if the individual has private insurance it must be used before Medicaid pays for a service.

COMMENT

Long-Term Care Facilities

Except for a provision applying only to the Connecticut Home Care Program, the term "long-term care facility" is not defined in statute. The statutory chapter titled "long-term care" refers to nursing homes, chronic disease hospitals, residential care facilities, and residential facilities for the mentally retarded.

Residents of residential care facilities (formerly homes for the aged) currently retain about \$119 of income from an SSI personal needs allowance and income disregard. The bill apparently would not reduce this amount to the \$50 personal needs allowance prescribed in the bill.

SSP Payment

The bill requires the commissioner to give SSP recipients living in long-term care facilities an SSP personal needs allowance. In general, nursing home recipients are not eligible for SSP benefits because the needs that SSP covers are paid for by Medicaid and other resources. In effect, long-term care residents would have to apply for SSP benefits for which they currently are ineligible in order to receive the SSP personal needs allowance the bill provides.

COMMITTEE ACTION

Human Services Committee

Joint Favorable Substitute
Yea 13 Nay 3

Appropriations

Joint Favorable Substitute
Yea 49 Nay 0